

Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 29, 2014

Bryce Haas 331 East 200 South Lindon Utah 84042

Bryce Haas P.O. Box 289 Gunnison, Utah 84634

Bryce Haas 91 South 100 East Mayfield, Utah 84643

Bryce Haas Central Utah Welding and Fabrication 8850 South 26500 West Duchesne, Utah 84021 (Hand delivered)

Subject: Notice of Division Intention to Forfeit Reclamation Surety and Request for Address Correction, Bryce Haas, B & H Quarry, S/039/0020, Sanpete County, Utah

Dear Mr. Haas:

In recent phone conversations with Peter Brinton of the Division of Oil, Gas, & Mining on January 14, 2014, and January 17, 2014, you were notified of the Division of Oil, Gas, & Mining's intention to forfeit the reclamation surety for your B & H Quarry, and you were notified the Division had filed a Notice of Agency Action to that effect. The Board of Oil, Gas & Mining will hear this matter on Wednesday, March 26, 2014. As discussed on the phone, the record for this matter can be accessed on the Board's website at http://linux1.ogm.utah.gov/WebStuff/wwwroot/Board/board.html.

On January 14, 2014, Mr. Brinton called you to ask whether you were planning to attend the Board hearing which would address the proposed forfeiture, originally scheduled for January 22, 2014. You indicated that you had not been notified of the Board hearing and that you would not willingly allow the forfeiture. When asked to provide your current mailing address for notification purposes, you indicated that you were working in an oil field, and that you do not have a current address to which Division correspondence can be sent. You also stated that you would take legal action if the Board hearing was held without proper notification.

OIL GAS & MINING

Page 2 of 2 Bryce Haas S/039/0020 January 29, 2014

You stated that you have not abandoned the site since the site is still bonded, and you also asserted that you are not responsible for quarry reclamation since you have been denied access to your site, and since the landowner has reportedly removed rock from your permitted quarry. Mr. Brinton notified you that you could arrange a permit transfer to the landowner if the landowner was interested in quarrying, but that the landowner would need to agree to take your reclamation liability for the current disturbance.

In a follow-up phone call on January 17th, you told Mr. Brinton that you are living in a work camp of Central Utah Welding and Fabrication, located south of the city of Duchesne, and that you have no permanent address to which the Division can send correspondence. You stated that the Division would need to hand-deliver a notice of a Board hearing in order to legally notify you. Mr. Brinton stated that the Division considers maintaining a current address with the Division to be the responsibility of the mine operator. When asked whether you were able and/or willing to reclaim the quarry, you did not disclose either your ability or willingness to reclaim the site.

In January, the Division sent the notice of the Board hearing to the Mayfield address (previously used for Board correspondence), but not the Gunnison address on file with the Division. In order to provide you with proper notification, the Division has sent this correspondence to all the above addresses, which were either provided to the Division at various times in the past, or which, in the case of the Duchesne address, appear to be a current (or more recent) address for you. Please contact us if any of these addresses are incorrect. In addition to mailing this letter and the Notice of Agency Action to the above addresses, the Division has also caused this letter and the Notice of Agency Action to be served personally to you at the address of Central Utah Welding and Fabrication, located south of the city of Duchesne.

Please don't hesitate to call me if you wish to discuss this matter informally. I can be reached at (801) 538-5261.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB:pnb:pb

Enclosed: Notice of Agency Action (Filed October 15, 2013 and accompanying exhibits), Administrative Summons cc: Bill Christianson, landowner (P.O. Box 82, Mayfield, UT 84643)

P:\GROUPS\MINERALS\WP\M039-Sanpete\S0390020-B & H Quarry (Haas)\final\Directive-01282014.docx

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing (1) Letter from the Division dated January 29, 2014; (2) Administrative Summons; (3) Notice of Agency Action; (4) Exhibits to the Notice of Agency Action upon Bryce H. Haas by mailing a copy thereof, properly addressed, with postage prepaid, to:

Bryce Haas 331 E 200 S Lindon UT 84042 (Certified Mail 7005 0390 0005 5857 2954)

Bryce Haas P.O. Box 289 Gunnison, UT 84634 (Certified Mail 7012 3460 0002 9559 5765)

Bryce Haas 91 South 100 East Mayfield, UT 84643 (Certified Mail 7012 3460 0002 9559 5772)

DATED at 1594 West North Temple, Salt Lake City, Utah, this 29th day of January, 2014.

Kassidy J. Wallin (14360) Steven F. Alder (0033) Assistant Attorneys General SEAN D. REYES (7969) UTAH ATTORNEY GENERAL 1594 West North Temple, Suite 300 Salt Lake City, Utah 84116 Telephone: (801) 538-7227 Attorneys for the Division of Oil, Gas and Mining

BEFORE THE BOARD OF OIL, GAS & MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

In the Matter of the Petition by the Division of Oil, Gas and Mining for an Order:

- (1) Withdrawing Bryce H. Haas's
 Notice of Intention to Commence
 Small Mining Operations at the
 B&H Quarry, S/039/0020, located in
 portions of the east half of Section 5,
 Township 20 South, Range 2 East,
 SLBM, Sanpete County, Utah;
- (2) Forfeiting Bryce H. Haas's surety for the B&H Quarry;
- (3) Authorizing the Division to complete reclamation at the B&H Quarry; and
- (4) Granting such further relief as the Board may deem just and reasonable under the circumstances.

ADMINISTRATIVE SUMMONS

Docket No. 2013-038 Cause No. S/039/0020

TO: BRYCE H. HAAS, RESPONDENT FROM THE STATE OF UTAH TO THE ABOVE NAMED RESPONDENT:

You are hereby summoned to respond to the Utah Division of Oil, Gas, and Mining's ("Division") Notice of Agency Action attached hereto. This Notice of Agency Action initiates a formal adjudicative hearing and order under the jurisdictional and procedural authority of Utah Code Ann. § 40-6-5(2010), and in accordance with Utah Admin. Code Title R641 (2010).

A Response to the Notice of Agency Action must be made in writing and filed within 20 days of the date of the mailing of this summons. The form of the Response is set forth at Utah Admin. Code R641-104-131.500, 140, 230 (2010).

In accordance with the above rules, unless otherwise resolved or continued, this matter will be heard at the Board Hearing scheduled for 9:00 a.m., Wednesday, March 26, 2014 in the Auditorium of the Utah Department of Natural Resources Building located at 1594 West North Temple, Salt Lake City, Utah.

If you fail to file a Response, attend, or participate in the hearing, the Board may enter a default against you and grant the relief requested by the Notice of Agency Action.

All written responses, pleadings and communications concerning the Notice of Agency Action shall be identified by the Board's file name of reference number reflected in the caption of this notice and directed to:

Utah Board of Oil, Gas, and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84116 Phone: (801) 538-5277

DATED this 29 day of January, 2014.

Bv:

Kassidy J. Wallin (14360) Steven F. Alder (0033)

Assistant Attorneys General

1594 West North Temple, Suite 300

Salt Lake City, Utah 84116 Telephone: 801-538-7227 kassidywallin@utah.gov

kassidywaiiin@utan.go

Kassidy J. Wallin (14360)
Steven F. Alder (0033)
Assistant Attorneys General
JOHN E. SWALLOW, No. 5802
UTAH ATTORNEY GENERAL
1594 West North Temple, Suite 300
Salt Lake City, Utah 84116
Telephone: (801) 538-7227
Attorneys for the Division of Oil, Gas and Mining

OCT 1 5 2013
SECRETARY, BOARD OF

OIL, GAS & MINING

BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

In the Matter of the Petition by the Division of Oil, Gas and Mining for an Order:

- (1) Withdrawing Bryce H. Haas's Notice of Intention to Commence Small Mining Operations at the B&H Quarry, S/039/0020, located in portions of the east half of Section 5, Township 20 South, Range 2 East, SLBM, Sanpete County, Utah;
- (2) Forfeiting Bryce H. Haas's surety for the B&H Quarry;
- (3) Authorizing the Division to complete reclamation at the B&H Quarry; and
- (4) Granting such further relief as the Board may deem just and reasonable under the circumstances.

PETITIONER'S EXHIBITS

Docket No.: 2013-038 Cause No.: S/039/0020

Pursuant to Utah Admin. Code Rule R641-105-500, Petitioner Utah Division of Oil, Gas & Mining ("Division"), by and through its counsel of record, the Utah Attorney General's Office, hereby respectfully submits the following exhibits intended to be offered into evidence in support of its Notice of Agency Action ("NOAA") at the December 4, 2013 hearing on this cause:

EXHIBIT "A"	-	Notice of Intention to Commence Small Mining Operations, S/039/0020 (Received September 11, 2007) (9 pages) ("2007 NOI")
EXHIBIT "B"		Letter from the Division to Mr. Haas explaining deficiencies in 2007 NOI (Sent January 18, 2008) (2 pages)
EXHIBIT "C"		Letter from the Division to Mr. Haas requesting reclamation or reclamation surety by March 31, 2010 (Sent December 21, 2009) (2 pages)
EXHIBIT "D"		Return envelope for December 21, 2009 letter (Received January 17, 2010) (1 page)
EXHIBIT "E"		Citation for Non-Compliance, No. MC-2010-61-01 (Issued May 3, 2010) (2 pages) ("2010 CO")
EXHIBIT "F"	-	May 17, 2010 written decision of Dana Dean, Hearing Officer, for Stop Work Conference held on May 12, 2010 (3 pages) ("Stop Work Order")
EXHIBIT "G"		Notice of Intention to Commence Small Mining Operations, S/039/0020 (Received June 2, 2010) (8 pages) ("2010 NOI")
EXHIBIT "H"		Small Mine Reclamation Contract (Received June 2, 2010) (10 pages)
EXHIBIT "I"		Letter from Utah State Treasurer's Office to Zion's First National Bank instructing Trust Administrator to deposit the \$10,000.00 check into Account No. 8912020 (Dated June 8, 2010) (1 page)
EXHIBIT "J"		Permit to Commence Small Mining Operations, Bryce Haas, B&H Quarry, S/039/0020, Sanpete County, Utah (Sent June 29, 2010) (3 pages)
EXHIBIT "K"	-	Citation for Non-Compliacne, No. MC-2011-65-01 (Issued April 14, 2011) (1 page) ("2011 FTACO")
EXHIBIT "L"	•	Proposed Assessment for 2010 CO (Sent April 14, 2011) (4 pages)

EXHIBIT "M" - Notice of Chapter 7 Bankruptcy Case, Meeting of

Creditors, & Deadlines (Received August 15, 2011)

(2 pages)

EXHIBIT "N" - United States Bankruptcy Court, Discharge of

Debtor(s) (Received December 1, 2011) (2 pages)

Dated this 15 day of October 2013.

Kassidy J. Wallin (14360)

Steven F. Alder (0033)

Assistant Attorneys General

JOHN E. SWALLOW, No. 5802

UTAH ATTORNEY GENERAL

1594 West North Temple, Suite 300

Salt Lake City, Utah 84116

Telephone: (801) 538-7227

Attorneys for the Division of Oil, Gas and Mining

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing Petitioner's Exhibits to be personally served, mailed first class mail postage prepaid, or electronically mailed the $28\frac{Th}{2}$ day of October 2013, to:

BRYCE HAAS

91 South 100 East Mayfield, Utah 84643

BILL CHRISTIANSEN

P.O. Box 82 Mayfield, Utah 84643

MIKE JOHNSON

Assistant Attorney General Department Of Natural Resources Board of Oil, Gas & Mining 1594 West North Temple, Suite #300 Salt Lake City, Utah 84114

OFFICE OF THE STATE TREASURER

ATTN: Coleen Hackwell E315 State Capitol Complex P.O. Box 142315 Salt Lake City, Utah 84114-2315

ZION'S FIRST NATIONAL BANK

ATTN: Raelynn Daniels One South Main Street Salt Lake City, Utah 84133

Juli & Am Carter

EXHIBIT A

Form MR-SMO (Revised Merch 26, 2007) This Section for DOGM Use:
Assigned DOGM File No.: S 039 0020
DOGM Lead: Lynn Kimzler
Permit Fee \$ 150.00 Ck # 4279

Task 10# 2005

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210 Box 145801

Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

9	GENERAL INFORMATION (Rule R647-3-104)
1.	Name of Mine: Mayfield Quarry
2.	Legal name of entity (or individual) for whom the permit is being requested: Mailing Address: P.O. BOX 259 City, State, Zip: Cuthy Con (UT) 841034 Phone: (435) 539 539 Fax (435) 519 5522 E-mail Address:
	Type of Business: Corporation () LLC () Sole Proprietorship (dba) X) Partnership () General or limited Or: Individual ()
	Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) www.commerce.utah.gov . Are you currently registered to do business in the State of Utah? Yes No Entity #
	If no, contact www.commerce.utah.gov to renew or apply.
	Local Business License # 1528 (if required) Issued by: County Supplies or City

RECEIVED

SEP 1 1 2007

3.	Contact Person(s)	0 .
	Name: BYVIP H HOOS	Title: tresident
	Address: P.M MOV 289	
	City, State, Zin: Counnison, IH	Fax: (435) 528: 557.7 Done: (801) 347-0046
	Phone: (435) 538-5343	Fax: (435) 528.5522
	Emergency, Weekend, or Holiday Pho	one: 1801) 347-0066
	E-mail Address:	
Contac	ct person to be notified for: permittin	g (X) surety (V Notices (X) (please check all that
apply)		- 1/4
	0	Λ · · ·
	Name: Bruce H Haas	Title: President
	Address: Y.U KOY A999	
	City, State, Zip: Cunnison, In	Fax (435) 528-5522
	Phone: (432) 24X 12417	Fax(435) 52X-5522
	Emergency, Weekend, or Holiday Pho	ine: (801) 361-0066
	E-mail Address:	
Contac	t person to be notified for: permitting	g () surety () Notices () (please check all that
apply)		
	D	
	Registered <u>Utah</u> Agent (as identified w	ith the Utah Department of Commerce) (if individual
	leave blank):	
	Name:	
	Address:	
	City, State, Zip:Phone:	F
	E-mail Address:	Fax:
	Childii Addiess.	
4.	If Business Is a: Sole Proprietor:	
	Sala Department to	0 '
	Name of Owner DWCR H. H.	raas Title: President
	Business Address: P.O. Box 28	9
	City, State, Zip: Cunnism Ut	. 841034
	Phone: (435) 538-5347	Fax: 4351 528 - 5522
	E-mail Address:	
	If Business is a Corporation:	
	Name of Officers:	Title:
		Title:
		Title:
	Headquarters Address:	
	City, State, Zip:	
	Headquarters Phone:	Fax:
	E-mail Address:	
1	f Business is a Limited Liability Comp	pany: Member Managed Manager Managed
	Name of 1" Member/Manager:	Title:
E	Susiness Address:	
(City, State, Zip:	
	none:	ay:
E	-mail Address:	

E-mail Address:	577 11. 84634 1342 Fax(435) 528-552-2
If Business is a Partnershi	p:
Business Address:	
City, State, Zip:	
Phone:	Fax:
E-mail Address:	
Ownership of Land Surfac	e:
. /	
Private (Fee) Public D	Domain (BLM) □ National Forest (USFS) □ ctions □ State Sovereign Lands □
Other (please describe):	ctions State Sovereign Lands
Name Bill & Charolette	Address P.O. BOX 82 Martiple UT. XVI
Name Christiansen	Address
Name	Address
Name	Address
Ownership of Minerals: Private (Fee) Public D	Pomain (BLM) □ National Forest (USFS) □
Private (Fee) Public D State Trust Land/School Sec Other (please describe)	tions State Sovereign Lands
Private (Fee) Public D State Trust Land/School Sec Other (please describe)	tions State Sovereign Lands
Private (Fee) Public D State Trust Land/School Sec Other (please describe)	Address P.O. BOX 88 Mayfield UT 841
Private (Fee) Public D State Trust Land/School Sec Other (please describe): Bill & Charolette Name Christian Seh	Address P.O. BOX Sa Maufield UT SUL
Private (Fee) Public D State Trust Land/School Sec Other (please describe): Bill & Charolette Name Christian Seh	Address P.O. BOX Ba Mayfield UT 840 Address
Private (Fee) A Public D State Trust Land/School Sec Other (please describe): Bill & Charoktte Name Christian Seh Name Name	Address P.O. BOX Sa Mayfield UT SUL Address Address Address Address
Private (Fee) Public D State Trust Land/School Sec Other (please describe): Bill & Charoktte Name Christian Seh Name Name BLM Lease or Project File No	Address P.O. BOX Sa Mayfilla UT SUL Address Address Address Address Address Address Address Address
Private (Fee) Public D State Trust Land/School Sec Other (please describe): Bill & Charoktte Name Christian Seh Name Name BLM Lease or Project File No	Address P.O. BOX Sa Mayfield UT SUL Address Address Address Address
Private (Fee) Public D State Trust Land/School Sec Other (please describe): Bill & Charoktte Name Christian Seh Name Name BLM Lease or Project File No	Address P.O. BOX Sa Mayfilla UT SUL Address Address Address Address Address Address Address Address
Private (Fee) Public D State Trust Land/School Sec Other (please describe): Bill & Charolette Name Christian Seh Name Name BLM Lease or Project File No	Address P.O. BOX Sa Mayfilla UT SUL Address Address Address Address Address Address Address Address

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

8.	Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice? Yes No
II.	PROJECT LOCATION & MAP (Rule R647-3-105)
1.	Project Location (legal description):
	county(ies): Marfield Quarry
	1/4, of1/4; Section: 32
	1/4, of 1/4. Section: Township: Range:
	UTM East (if known) UTM North (If known)
	Name of Quad Map for Location: See Attached May Field to
2.	Location and Operations maps must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, a scale, appropriate labels, title box including the mine name, township, range and section. a. Map 1: The general location map must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000") and identify new or existing access roads. b. Map 2: The operations map (1"=200" or other scale as determined necessary by the Division) must be labeled and identify: i. The area to be disturbed; ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and iii. Any adjacent previous disturbance for which the operator is not responsible. (Contact the Division for a list of consultants and land surveyors for mapping assistance.)
3.	The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced (<50 feet) so that the next marker in either direction is clearly visible with the naked eye.
III.	OPERATION PLAN (Rule R647-3-106)
1.	Type of mining: Surface Underground
2.	Mineral(s) to be mined: LimeStone.
3.	Amount of material to be extracted, moved or proposed to be moved: Several Thousand Tons

8-4:416

4.	Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process? Yes □ No ▼ If yes, please describe (add extra pages if needed)
5.	Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). Were manually removing Hills at with Londer & Escavator.
6.	□ New Road(s): Length 1000 (ft) Width 20 (ft)
	☐ Improved Road(s): Provide a description of the improvements that need to be made sting roads to access the site, including the Length(ft) and Width(ft) of vernents.
8.	Total project surface acreage to be disturbed: (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount see #VI).
9.	Proposed startup date of project (month, year) March , 2005
10.	
IV.	OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)
reclan	The reclamation and operation obligation is to keep the area clean and safe, minimize hazards lic safety, return the land to a useful condition, and reestablish at least 70 percent of the ning vegetative ground cover. To accomplish this, the Permittee / Operator will need to perform nation concurrently, or at the completion (within one (1) year) of mining. Please refer to The cal Guide to Reclamation in Utah, available at www.ogm.utah.gov.
1.	Keep the mining operation in a safe, clean, and environmentally stable condition.
2.	Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3.	Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4.	Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5.	Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6.	Remove all waste or debris from stream channels.
7.	Dispose of any trash, scrap metal, wood, machinery, and buildings.

Conduct mining activities so as to minimize erosion and control sediment.

9. Reclaim all roads that are not part of a permanent transportation system.

- 10. Stockpile topsoil and suitable overburden prior to mining.
- Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
- Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
- Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
- Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Yes No

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. A variance shall be granted if the alternative method or measure proposed will be consistent with the Act.

1st Variance Requested

Item #	Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed)
Justification:	and owner works roads flat surface above and small
Alternate method	and owner wants roads flat surface above and small ds or measure to be utilized: 30x30 shed left existing for his and ranching Business.
2 nd Variance Rec	quested
tem# Justification: _B	
Alternate method	ts or measure to be utilized: award within 110 and and wall use the same surety there on this location.
3 rd Variance Req	uested
tem# Justification:	Applicable Rule #
Alternate method	s or measure to be utilized.

Attach additional page if more variances are requested.

VI. <u>SURETY</u> (Act 40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations.

The Utah Mined Land Reclamation Act (40-8-7 (1)[c] and 40-8-14 provides the authority that all mining operations furnish and maintain reasonable surety to guarantee that the land affected is reclaimed.

Form MR-SMO Revised March 26, 2007 The surety amount is based on the nature, extent and duration of operations. The surety amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions.

Surety for small mines sites will be escalated three (3) years to the future. Contact the Division for dollar amount required for this project.

I will provide surety in the form of a: Certificate of Deposit, Letter of Credit Surety Bond, Cash (certified funds), or Division Approved form.

VII. PERMIT FEE [Mined Land Reclamation Act 40-8-7(1)(i)]

The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)(i)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee which must accompany this application or it cannot be processed by the Division.

VIII. SIGNATURE REQUIREMENT

(Please che	ck the box if applicable and place your initials on the line provided)
RH X	ck the box if applicable and place your initials on the line provided) I have enclosed the required permit fee.
	I understand that I am not authorized to create any surface disturbance until the
	surety amount is posted and approved in writing from the Division of Oil, Gas and
	Mining and any other authorized regulatory agency.

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. This certification must be executed by an executive officer if the applicant is a corporation; by a partner if applicant is a partnership (general or limited); owner if applicant is a sole proprietorship; member or manager if applicant is a limited liability company.

Signature: Buy W Mas	Date: 9-3-07
Name (typed or printed): Bry (P. H. HOOS	
Title/Position (if applicable): Presulth	
P:\GROUPS\MINERALS\WP\FORMS\Notices\Final\smo-02152007.doc	

September 3, 2007

To: Division of Oil Gas and Mining

Bix Chispani

I am a farmer in the Mayfield and surrounding areas. I own several parcels of ground that we grow alfalfa yearly and are needing places to store our alfalfa and farm equipment such as: tractors, bailers, swathers, levelers, and various irrigation equipment. I would like to have all access roads, entrance roads, the flat level spot about one thousand feet from entrance of the stone quarry and the 30x30 tin building left. I do not want these areas reclamated. I have spoke to Lynn Kunzler about these items in previous meetings on the mine site.

Sincerely,

Bill Christiansen

Escrow No.: 4349164 (gd)

SCHEDULE C Description

The land referred to in this report is situated in the County of Sanpete, State of UT, and is described as follows:

Parcel 1: Plat "A" outside Mayfield Townsite. Beginning at the Southeast corner of the Southeast quarter of Section 32, Township 19 South, Range 2 East of the Salt Lake Base and Meridian, thence West 24.00 chains, thence North 5°30' East 10.20 chains, thence North 30° East 3.64 chains, thence south 23° East 5.50 chains, thence Southeast along ditch to a point 6.95 chains North of the point of beginning, thence South 6.95 chains, more or less, to the point of beginning. (7564)

Parcel 2: The Northwest quarter of the Northeast quarter of the Southeast quarter, The West half of the Southeast quarter of the Northeast quarter of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian;

Also, beginning at the Northeast corner of the Northwest quarter of the Southeast quarter of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian, thence, South 10.00 chains, thence West 18.21 chains, thence North 14°15' East 10.36 chains, thence East 15.60 chains, more or less, to the point of beginning;

Also beginning at the Northeast corner of Section 5, Township 20 South, Range 2 East of the Salt Lake base and Meridian, thence west 14.20 chains, thence South 38°30' West 9.33 chains, thence South 12.70 chains, thence East 20.00 chains, thence North 20.00 chains, more or less, to the point of beginning. (11155)

Parcel 3: Beginning at a point 4.60 chains East of the center of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian; thence North 15°45' East 5.60 chains, thence South 74° East 8.98 chains, thence north 3°25' East 16.14 chains, thence South 56° East 5.42 chains, thence South 16.00 chains, thence West 15.60 chains, more or less, to the point of beginning.

Beginning at a point 9.72 chains North of the Center of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian, thence South 74° East 5.60 chains, thence North 15°45' East 10.00 chains, thence North 74° West 8.46 chains, thence South 10.50 chains, more or less, to the point of beginning.

Beginning at the Northeast corner of the Southeast quarter of the northwest quarter of Section 5, Township 20 South, Range 2 East of the Salt Lake Base and Meridian, thence West 1.85 chains, thence South 15° West 9.70 chains, thence South 74° East 4.75 chains, thence North 11.00 chains, more or less, to the point of beginning.

Beginning at a point 1.75 chains East and south 9° West 14.19 chains from the Northwest corner of the Northeast quarter of Section 5, township 20 South, Range 2 East of the Salt Lake Meridian, thence South 75°30' East 10.45 chains, thence South 15°45' West 7.08 chains, thence North 74° West 10.25 chains, thence North 14°15' East 5.00 chains, thence North 9° East 1.55 chains, more or less, to the point of beginning. (11119X1 and 11119X)

Said property is also known by the street address of: South Sanpete County Land, Mayfield, UT 84643

EXHIBIT B



State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director

JOHN R. BAZA Division Director

January 18, 2008

Bryce Haas P.O. Box 289 Gunnison, UT 84634

Subject: Deficient Notice of Intention to Commence Small Mining Operations, Bryce Haas, Mayfield Quarry, S/039/0020 and E/039/0008, Task #2005, Sanpete County, Utah

Dear Mr. Haas:

Your Notice of Intent to Commence Small Mining Operations (NOI), for the Mayfield Quarry is incomplete. The following information is required:

R647-3-104.1:

• The Notice identifies the operator as a 'Sole Proprietorship', yet the name 'Bryce Haas' has not been registered with the Dept. of Commerce. 'Central Utah Stone', the name on the check submitted for the permit fee is registered. To correct your Notice, you will need to either file as an individual, register the name 'Bryce Haas' as a sole proprietorship, or indicate the operator as 'Central Utah Stone'.

• R647-3-105:

- Your Notice incorrectly identifies the location for this operation as being located in Section 32, of Township 19 South, Range 2 East. The correct location is: portions of the South 1/2 of the South 1/2 of the Northeast 1/4 of Section 5, Township 20 South, Range 2 East, SLBM. Please make this correction.
- Please provide a general location map (i.e. USGS topo map) that identifies the location of the mine as well as access road(s).
- Please provide an operations map (scale of linch = 200 feet, or larger) that identifies the
 area to be disturbed, access road, pads, facilities, highwalls, pits or quarry areas, waste
 dumps, topsoil stockpiles, etc.

• R647-3-110:

 The Notice indicates that two variances have been requested for this operation. Before the Division can consider this request, additional information is required. If you still

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Page 2 Bryce Haas S/039/0020 & E/039/0008 January 18, 2008

desire these variances, please provide the specific rule(s) for which each variance is requested, identify on a map the areas for which the variance is being requested, provide justification for why the variance should be granted, and provide alternative methods or measures that will be utilized to demonstrate how it will be consistent with the Mined Land Reclamation Act.

With regards to leaving certain facilities and structures (i.e. access road, pads, buildings, etc.) The Division will not grant approval until the time of reclamation. At that time you will need to make a demonstration that the facilities and structures are appropriate for the post mining land use, that they are in acceptable condition for the intended uses, and that they meet local planning and zoning requirements.

The Division delayed reviewing your notice in consideration of having the B&C Limestone Quarry (Fayette Quarry) reclaimed and transferring bond monies from that project for the surety requirement for this project. It has now been over the requested 60 days, and reclamation is not competed at the B&C Limestone Quarry. The Division cannot release any portion of that surety at this time to apply to this project.

Reclamation surety is required to be posted by all mining and exploration operations. The surety amount determined for this site is \$20,700.00. You must contact Jed Pearson, Division Minerals Surety Coordinator to complete the reclamation surety and submittal of the reclamation contract. He can be reached at (801) 538-5382 or email at jedpearson@utah.gov. Since your exploration notice for this site has expired (exploration notices expire on November 30th, the year after the notice is submitted), there is to be no further mining or exploration activity at this site until a reclamation surety is provided. Continued operations may result in formal enforcement action being taken by the Division. Reclamation work only may continue until the Notice is complete and the surety approved.

In reply, please refer to file number \$/039/0020. Thank you for your cooperation.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

Suran M. White.

SMW:pb

cc Jed Pearson, DOGM



£0390008 0002 \$ 50390020 0002



GARY R. HERBERT

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 21, 2009

Certified Return Receipt 7003 2260 0002 0247 8867

Bryce Haas P. O. Box 289 Gunnison, Utah 84634-0289

Subject: Notice of Expired Mineral Exploration Notice, Bryce Haas, Mayfield Exploration Project,

E/039/0008, Sanpete County, Utah

Dear Mr. Mr. Haas:

Rule R647-2-102 associated with the Mined Land Reclamation Act states in part that a Notice to Conduct Exploration shall be valid until November 30th of the year following the year of submittal. All exploration and reclamation activities should be completed within this time frame. An operator desiring to extend the duration of the notice of intention, must notify the Division in writing, **prior** to expiration of the notice of intention, specifying the reasons an extension is required.

The Notice of Intention to Conduct Exploration (NOI), file No. E/039/0008, will now be closed. The Division received this NOI May 16, 2005, but never found it complete, never received a reclamation surety, and has not been receiving permit fees.

Closure of this file does not relieve you from any reclamation obligations you have in the area. The Division received a Notice of Intention to Commence Small Mining Operations for the Mayfield quarry on September 11, 2007, and responded with a letter on January 18, 2008. This letter identified several deficiencies in the Notice of Intention, and the Division has not received a response. Therefore, the NOI has never been determined complete.

The Division has also never received a reclamation surety for the Mayfield quarry although the site has been disturbed. While I understand you may have made some agreements about transferring the surety from the B&C Limestone quarry to the Mayfield quarry, this is impossible because reclamation has never been completed at B&C Limestone. You had requested 60 days to complete reclamation at the B&C Limestone quarry, and this time is long past.

No later than March 31, 2010, you must either complete regrading and seeding of the Mayfield quarry or submit a reclamation surety in the amount of \$20,700.00. This surety amount is escalated to January 2011. If you fail to do so, the Division may be forced to take enforcement action.

Bryce Haas Page 2 of 2 E/039/0008 December 21, 2009

Please contact the Division's bonding coordinator, Penny Berry, for information about submitting the surety. She can be reached at 801-538-5291 or by e mail at bondcoordinator@utah.gov.

Other questions about this letter can be directed to me 801-538-5261. Thank you in advance for your cooperation.

Sincerely, CLB ML

Paul B. Baker

Minerals Program Manager

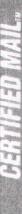
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EXHIBIT D



State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Saft Lake City, UT 84114-5801

RETURN SERVICE REQUESTED





Incom: 73 5/039/10020

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\$ 05.540

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BRYCE HAAS PO BOX 289 GUNNISON UT 84634-0289

The state of the s

EXHIBIT E

Citation for Non-Compliance

Utah Minerals Regulatory Program
1594 West North Temple, Salt Lake City, UT 84114

Citation	#:	MC-2010-61-01

Permit Number: S/039/0020

OIL GAS & MINING Phone: (801) 538-	5340 Fax:	(801) 359-39	40	Date Is	sued: 05/03/2010
NOTICE OF VIOLATION	10	CESSATION	ORDER ((CO)	FAILURE TO ABATE CO
Permittee Name: Bryce Haas Inspector ID and Number: 61					
Mine Name: Mayfield Quarry			Date of Insp	ection:	04/27/2010
Certified Return Receipt Number:			Date and Ti	me of Service:	5/3/2010 230 nu
Nature of condition, practice, or violation:					
Conducting mining operations without	ut an appro	oved Notice	of Intentic	on or posting	a Reclamation Surety.
Provisions of Act, regulations, or permit v	iolated:				
R647-3-101.1 UCA 40-8-13					
For Cessation Orders and Failure to Abate Co	O's, check	appropriate bo	x(es) below:		
This order requires Ces	Or				
This order requires Cess Mining activities to be ceased immedia		PORTIC)N(S) 01	the mining	g activities.
All mining related activities and re			minad ma	torials	
Reclamation work may be perforn					
Condition, practice, or violation is c imminent danger to health or safety		. [ittee/Operator is ities without a P	/has been conducting mining ermit.
Condition, practice, or violation is or reasonably be expected to cause sign environmental harm to land, air, or the second condition is continuously to the second condition of the second condition is continuously to the second condition of the second condition is continuously to the second condition of the second condition is condition.	nificant, imm	ninent	Citati	ion #	o abate Violation included in within time for fixed or subsequently extended.
Abatement/corrective action(s) requ	uired (for	all Citation			Abatement Times (if applicable)
Submit a compete Notice of Intention \$25,000 and a reclamation contract. email at bondcoordinator@utah.gov t forms.	Contact Pe	nny Berry	0 801-538	-5291 or	By end of business on June 3, 2010
Bryce Haas		Jo	hn Roge	ers	
Permittee Representative (Print)			GM Representa		
		(21.1	1	05/03/2010
Permittee Representative's Signature Date	le	Dys	GM Representa	tive's signature	Date
SEE REVERSE SI	DE Of This	Form For Inst	ructions An	d Additional In	formation

IMPORTANT - READ CAREFULLY

Pursuant to the Utah Mined Land Reclamation Act, Utah Code Ann. § 40-8-1 et. seq. (Act), the undersigned authorized representative of the Division of Oil, Gas, and Mining (DOGM) has conducted an inspection and found that a Citation in the form of a Notice of Violation or Cessation Order must be issued.

This Citation shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of DOGM.

1. PENALTIES.

Assessment. For each violation included in this Citation, a penalty of up to \$5,000 may be assessed for each separate day the violation continues.

Proposed assessment. DOGM assesses fines based upon a proposed recommendation by an assessment officer. If there is additional information you wish DOGM to consider regarding the citation and proposed fine, please submit that to DOGM within 15 days of the date this citation is served on you or your agent. Such information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. Once DOGM has determined the proper penalty, it will serve the proposed assessment on you or your agent, within 30 days of the issuance of this citation. See Utah Admin. Code R647-7-105 et. seq.

The penalty will become final unless you or your agent file, within 30 days of receipt of the proposed assessment, a written request for an informal conference before an assigned conference officer.

If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be issued a Failure to Abate Cessation Order requiring cessation of mining operations on the portion of the operations relevant to the violation, and you will be assessed an additional minimum penalty of \$750 for each day of continuing violation beyond the time set for abatement.

2. STOP WORK CONFERENCE.

On the reverse side of this page, an authorized representative has made a finding as to whether or not this citation requires cessation of mining. If this citation requires cessation of mining, expressly or in practical effect, you may request that a stop work conference be held at or near the mine site. If you wish such a conference to be held, send your request to:

Administrative Secretary Associate Director of Mining 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801

See Utah Admin. Code R647-6-102.4 et seq. Once a stop work conference is scheduled, you will be notified of the date, time, and location of the conference. You must request the stop work conference within 30 day after service of this cessation order. The conference will be held within 5 days of your request.

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may appeal this citation to the Board of Oil, Gas, and Mining by submitting: a) a petition for hearing to the Board within 30 days of receipt of this notice, order or proposed assessment; and b) an amount equal to the proposed, reassessed or affirmed penalty to the Division. See Utah Admin. Code R647-7-107 et. Seq. Please submit the application for hearing to:

Secretary Board of Oil, Gas, and Mining 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801

If applying for a formal board hearing, you may submit with your petition for review a request for "temporary relief" from this citation. Procedures for obtaining a formal board hearing are contained in the Board's Rules of Practice and Procedure and in Utah Admin. Code R647-5 et. seq.

4. INDIVIDUAL CIVIL PENALTIES.

An additional Individual Civil Penalty of up to \$5,000 per day may be assessed against a corporate director, officer or agent who knowingly and willfully authorizes, ordered or carried out a violation or who fails or refuses to comply with an order. For further information, consult Utah Code Ann. § 40-8-9 through 40-8-9.1 and Utah Admin. Code R647-6 through R647-8 et. seq., or contact the Division of Oil, Gas, and Mining at (801) 538-5340.

EXHIBIT F



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA

May 17, 2010

Bryce Haas PO Box 289 Gunnison UT 84634-0289

Subject: In the Matter of the Stop Work Conference, Findings, Conclusions and Order for the Mayfield Quarry, Cessation Order MC-2010-61-01, S/039/0020, San Pete County, Utah

Dear Mr. Haas:

On May 12, 2010 the Division of Oil, Gas and Mining (the Division) held a Stop Work Conference at the Mayfield Quarry, S039/0020 in San Pete County, Utah. The following individuals attended: Representing the Division were, Dana Dean, Associate Director, Mining/Conference Officer; Paul Baker, Minerals Program Manager; and John Rogers, Environmental Scientist. Bryce Haas, Quarry Operator, represented himself and Bill Christiansen, Landowner, represented himself.

The Findings and Conclusions and Order in this matter are based on information provided by the Division and Misters Haas, and Christiansen in connection with this Stop Work Conference, and on information in the files of the Division.

FINDINGS & CONCLUSIONS

- 1. Cessation Order MC-2010-61-01 (CO) was issued May 3, 2010 for conducting mining operations without an approved Notice of Intention (NOI) and failure to post a Reclamation Surety. The Order required cessation of *all* mining activities.
- 2. Mr. Haas requested a Stop Work Conference on May 5, 2010 through Ms. Vickie Southwick, Administrative Secretary according to the procedure spelled out in the CO.
- 3 A Stop Work Conference was scheduled for Wednesday May 12, 2010, and held at 10:00 am, in accordance with R647-6-102.4.
- 4. Mr. Haas submitted a Notice of Intention to Commence Small Mining Operations (NOI) in September of 2007.
- 5. By letter dated January 18, 2008, the Division notified Mr. Haas that his NOI was incomplete, and spelled out what needed to be included to make the application complete. Mr. Haas referred to this letter at the conference.
- The January 2008 letter also made it clear to Mr. Haas needed to post a \$20,700
 reclamation surety in order to conduct any further mining or exploration activity at
 the site. Reclamation work was allowed to proceed.



- 7. On December 21, 2009 the Division sent a certified letter to Mr. Haas informing him that he would need to reclaim the Mayfield Quarry by March 31, 2010 or submit \$20,700 in bond. Mr. Haas did not claim the letter and it was returned to the Division.
- 8. Mr. John Rogers, Environmental Scientist with the Division conducted an inspection of the Mayfield Quarry on April 27, 2010. During the inspection he noted that Mr. Haas had continued to mine, and had still neglected to post a reclamation surety or submit a complete NOI. The CO was written based on his observations and the history of the situation.
- At the time of the conference mine equipment was idle and no product was being transported off site. Mr. Haas stated that no mining and no product delivery was taking place due to the issuance of the CO.
- 10. Mr. Haas represented that the quarry was his only source of income and it would take 3-5 paid and shipped orders to gather enough money to cover the bond. He also represented that he thought he had done what was necessary to legally operate.
- 11. Mr. Christiansen represented that he would prefer that mining continue on his land, and that he wanted some of the equipment left on-site after reclamation. He also wants to keep the road and pad area for post mining use.
- 12. Mr. Haas asked that he be allowed to sell the product he had ready for shipping, and mine a small corner of the face that would amount to "squaring up" the face. (see attachment 1)
- 13. It is concluded that Mr. Haas failure to claim the certified letter sent December 21, 2009 does not release him from liability. In fact, he had been told as early as January 2008 that he was out of compliance and was required to provide a reclamation surety and complete NOI.
- It is concluded that Mr. Haas continued to knowingly operate the Mayfield Quarry without a permit or reclamation surety.
- 15. It is concluded from the information presented that the Division has given Mr. Haas plenty of time (over two years) to provide a complete NOI and reclamation surety.
- It is concluded by the Conference Officer that the Cessation Order is affirmed for lack of reclamation surety and NOI and amended as ordered below.

ORDER

- 1. Cessation Order MC-2010-61-1, issued May 3, 2010, is hereby upheld.
- 2. Reclamation work may continue prior to abating the CO.

Page 3 May 17, 2010 Mayfield Stop Work Conference

- 3. Mr. Haas may transport and sell any on-site product already packaged for sale. The product referred to can be seen attachments 3 and 4.
- Mr. Haas may package and transport <u>loose</u> product. Loose product is documented in attachments 5-8
- 5. Mr. Haas may not loosen any rock, and may not advance the face. The face must remain as documented in attachments 1 and 2.
- The CO will be fully terminated when the appropriate reclamation surety and a complete NOI have been provided.
- 7. The reclamation surety has been calculated at \$25,000 based on current site disturbance. It may be adjusted if reclamation work merits doing so.
- 8. If Mr. Haas fails to provide proper surety and a complete NOI; or completely reclaim the site by June 3, 2010 as specified in the CO he may be issued a failure to abate cessation order, which carries a \$750 per day fine.

Please be cognizant of time frames specified in the CO, if you have questions regarding such, please Mr. Paul Baker at 801-538-5261.

If you wish to appeal this Order to the Board of Oil, Gas and Mining, you may do so by contacting the Division within 30 days of receipt. The CO will remain in effect during the appeal period, and must be abated prior to continuation of mining. Please contact Julie Ann Carter, Secretary to the Board at 801-538-5277. If you have any questions regarding this letter, please contact me at 801-538-5320.

Sincerely,

Dana Dean

Associate Director, Mining

EXHIBIT G

Form MR-SMO (Revised September 21, 2009) This Section for DOGM I
Assigned DOG. ile No.: \$0390020
DOGM Lead: John Rogers
Permit Fee \$ 150.00 Ck # Cash Receipt #

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Task 10 # 356/

NOI

1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

Note on confidentiality: Information provided in the notice of intention relating to the location, size, or nature of the mineral deposit that is clearly marked confidential will be protected as confidential. Each page or map requested to be kept confidential must be stamped or marked as such. The requested confidential information must describe how the confidential material relates to the location size or nature of the mineral deposit; provide a written claim of business confidentiality; and/or include a concise statement of reasons supporting the claim of business confidentiality, unless disclosing the location of explosives or historic, prehistoric, paleontological, or biological resource that must be considered confidential under statute.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

9	GENERAL INFORMATION	(Rule R647-3-104)	
	Name of Mine: B H	Quarry	
	Legal name of entity (or Bry Control H) Mailing Address: PC City, State, Zip: Countrol H Phone: (201) 201-1	individual) for whom the permit is being re ACS BCX 189 INSCIN UT 94634 BOUT FAX(435) 518 55 TO WHOM STENCY YORCO COM	
	Partnership()General. Or: Individual()	orporation () LLC () Sole Property or limited	prietorship (dba) (\d) State of Utah. Division
	of Corporations (DOC)		
	Are you currently registe Entity #	red to do business in the State of Utah?	G Yes G No
	If no, contact	to renew or apply.	
	Local Business License : Issued by: County	# (if required) or City May 1.21(JUN 0 2 2010
		APPROVED	MEO 2 2010
		JUN 2 8 2010	DIV. OF OIL, GAS & MININ
			UlA. a.

DIV. OIL GAS & MINIT

3.	Contact Persc	
	Name: Bryc H Haas	_ Title: UNICY
	Address: AVS 100 F.	
	City, State, Zip: Maufield UT. Shone: (201) 809- 5007 Fax: 43	1643
	Phone: (201) 809-150107 Fax:143	51520-5522
	Emergency, Weekend, or Holiday Phone:	1603-2007
	E-mail Address: Central Utan Stone @	claws com
Cont	act person to be notified for: permitting (x) sure	
apply	/)	ty () Houses () (pisass should all allas
	Name: Bryce H. Haas	Title: Duiner
	Address: 91'S ICO E	Title. UNITCH
	City State Zing MOULGULALITY Code	13
	City, State, Zip: MayField (UT. Sala) Phone: (Ci) 209-500 Fax(A3)	EL COURCES
	Filone. (Last)	1002-50102
	Emergency, Weekend, or Holiday Phone:	141100 (500
0	E-mail Address: Central Ukustono of	
	act person to be notified for: permitting () sure	y () Notices () (please check all that
apply)	
	Registered <u>Utah</u> Agent (as identified with the Uta	th Department of Commerce) (if individual
	leave blank):	
	Name:	
	Address:	
	City, State, Zip:	
	Phone: Fax:	
	E-mail Address:	
4.	If Business is a Sole Proprietor:	
	Name of Owner: Style H. Haas Business Address: 1755 South Field	Title: DVVID-ET
	Business Address: 1755 South Field	Rd.
	City. State. Zip: May field UT. 4.46	043
	Phone: (801) 801- 5000) Fax (13)	1578 5522
	E-mail Address. Central . which Steve & I	lahoo-com
		J
	If Business is a Corporation:	
	Name of Officers:	Title:
		rigare a d
		Title:
	Headquarters Address:	Title.
	City State 7in:	
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	Headquarters Phone:	Fax:
	E-mail Address:	
	If Duninger in a Limite of Line in a	
	If Business is a Limited Liability Company: Me	mber Managed G Manager Managed G
	Name of 1st Member/Manager:	Irtle:
	Dusiliess Address.	
	City, State, Zip:	
	Phone: Fax:	
	E-mail Address:	
	Name of 2 nd Member/Manager:	
	Dusiness Address:	
	City, State, Zip:	
	City, State, Zip: Phone: Fax: Fax:	
	E-mail Address:	

Form MR-SMO 09212009 **APPROVED**

JUN 28 2010

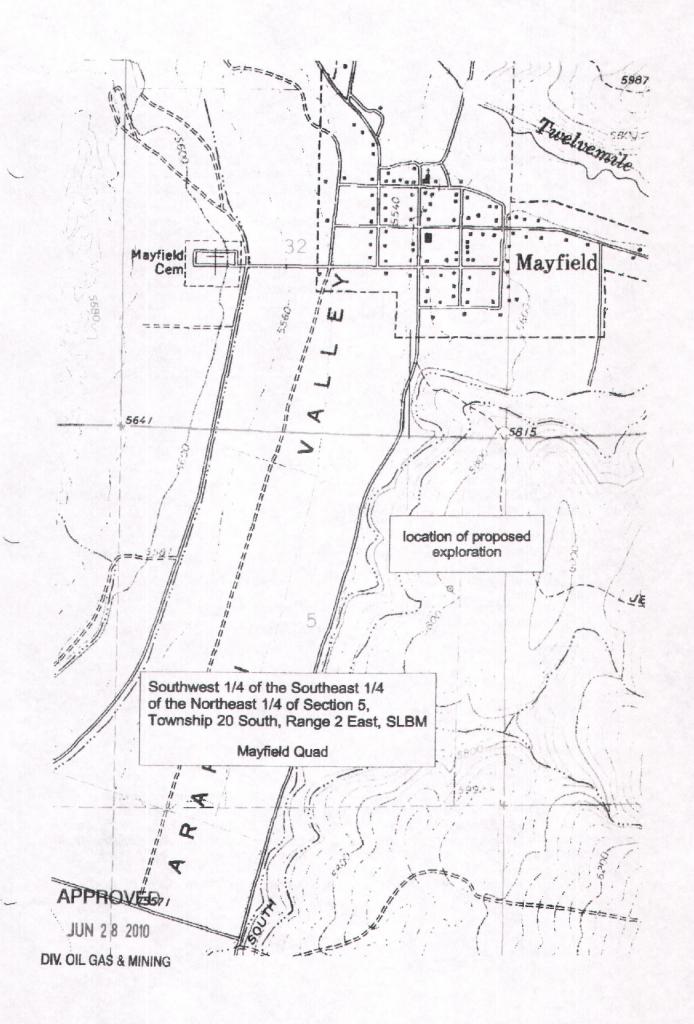
Basilions i ladioss.	
City, State, Zip:	
Phone:	Fax:
E-mail Address:	
Ownership of Land	d Surface:
Private (Fee) G	Public Domain (BLM) G National Forest (USFS) G thool Sections G State Sovereign Lands G
Other (please descr	ibe):
Name	Address
Nama Rill V (h	DELICATION Address HEN ISHET PROJECTION DEL MO
Name	nslicusum Address 450 West Christianburg Rd Ma
	Address
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Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

8. Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice? Yes XAPPROVED

Form MR-SMO 09212009

JUN 28 2010



	Project Loca	troir & map	(legal de	escription):			
	County(ies):						
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					UTM North 43285		
known		1145		(if known)	UTM North 33203		(If
	Name of Quad N	lap for Locat	ion:				
	labels, and titl a. The gener equivalent (1" b. The opera must be labele i. The a ii. The le holes iii. Any a	e box including allocation in =2000') and interest and identifiare at the bed at the bed and identifiare at the bed at the be	ng the n nap musidentify "=200' of fy: sturbed; y existir its, shaf ious dis	nine name, tow st be the scale new or existing or other scale a ng or proposed ts, cuts, or othe turbance for wh	include a north arrow, nship, range and section of a USGS 7.5 minute a access roads. It is determined necessary operations including act planned activities; and it is the operator is not a surveyors for mapping	on. series map of y by the Divi cess roads, d responsible.	r Ision) drill
3.	The proposed marked in the equal effective	(5 acre or leading of the field ON THE eness). Mark	ss) distu E GROU ers sho	irbed area (incl	uding access/haul road T-Posts (or with some of	s) should be other marker	of
	OPERATION PL	AN (Rule R	647-3-1	06)			
1.	Type of minin	g: Surface	X	Underground	d 🗌		
1.			0	()			
	Mineral(s) to	be mined:	Build	ling sta	16		
1.	Mineral(s) to			,	oposed to be moved:		

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JUN 28 2010

DIV. OIL GAS & MINING

5.	Provide a brief description of the proposed mining operation and onsite processing
	facilities (add extra pages if necessary). We are diagring into a
	20 FT readle and identifying attent Flagstone
	material that will spirt into 2" in thickness
	and can be used for anyeways, walkways and
	puel decks we also are showthing 4" Stab
	use to vaneer prepares remaining wars the
	[2] [1] [2] [2] [2] [2] [3] [4] [4] [4] [4] [4] [4] [4] [4] [4] [4
6.	New Road(s): Length 990 (ft) Width 10 (ft)
7.	Improved Road(s): Provide a description of the improvements that need to be made
	sting roads to access the site, including the Length(ft) and Width(ft
	w disturbances.
8.	Total project surface acreage to be disturbed: 2 (acres) PLEASE SPECIFY EXACT
0.	ACREAGE - (this will be used to determine surety bond amount - see #VI).
9.	Proposed startup date (month, year) June 3, 2010
10.	Proposed completion date, if known (month, year)
V.	OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)
	OFERATION AND RECLAMATION PRACTICES (Rule R047-3-107, 100 & 109)
	The reclamation and operation obligation is to keep the area clean and safe, minimize hazards
o pub	blic safety, return the land to a useful condition, and reestablish at least 70 percent of the
premi	ning vegetative ground cover or within practical limits. To accomplish this, the Permittee /
nining	ator will need to perform reclamation concurrently, or at the completion (within one (1) year) of g. Please refer to The Practical Guide to Reclamation in Utah, available at
ittps:/	//fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf.
1.	Keep the mining operation in a safe, clean, and environmentally stable condition.
2.	Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3.	Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged
	in the subsurface to prevent aquifer contamination.
4.	Construct berms, fences, or barriers, when needed, above highwalls and excavations.
-	
5.	Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6.	Remove all waste or debris from stream channels.
7.	Dispose of any trash, scrap metal, wood, machinery, and buildings.
8.	Conduct mining activities so as to minimize erosion and control sediment.
9.	Reclaim all roads that are not part of a permanent transportation system.
10.	1. 2. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.
10.	
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- Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
- Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
- Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
- Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act

Are variances being requested? Yes No No					
1 st Variance Re	equested				
Item # Justification:	Application (i.e. file in the				
Alternate methods or measure to be utilized:					
2 nd Variance Re	equested				
Item# Justification:	Applicable Rule #				
Alternate metho	ods or measure to be utilized:				
3 rd Variance Re	quested				
Item # Justification:	Applicable Rule #				
Alternate metho	ods or measure to be utilized:				
ch additional na	ane if more variances are requested				

VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]). APPROVED:

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The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.

VII. PERMIT FEE (Utah Code Ann. §40-8-7(1)(i))

A permittee's authorization under a notice of intention to conduct small mining operations shall require the paying of permit fees as authorized by the Utah Legislature (R647-3-102.5). Permit fees are assessed to new and existing small mining operations, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee, which must accompany this application, or the Division cannot process it.

VIII. SIGNATURE REQUIREMENT

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. This certification must be signed by: (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; or (4.) the member or manager if applicant is a limited liability company.

Signature: Dy 7/ May	Date: 5-19-10
Name (typed or printed): Bryce, H. Hcias	
Title/Position (if applicable): DWNEY	
O-IEODMCWalissa Finalisms 80343000 de-	

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EXHIBIT H

FORM MR-RC (SMO) Revised August 9, 2006 RECLAMATION CONTRACT

Mine Name: Mayfield Quarry

Other Agency File Number:

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION of OIL, GAS and MINING

1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5291 Fax: (801) 359-3940

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Div. of Oil, Gas & Mining

SMALL MINE RECLAMATION CONTRACT

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Bryce Haas the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. S/039/0020 which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

- Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
- 2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:
 - A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private onsite ways, roads, railroads; land excavations; drill sites and workings; refuse banks or spoil piles; evaporation or settling

included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI. 3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as ATTACHMENT A to this Contract. 5. If the Surety expressly provides for cancellation or termination for nonrenewal: A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety: or B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation Page 2 of 6 Revised 8/9/2006 Form MR-RC (SMO)

ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge

B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions

areas, structures, and facilities; and

obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

- 6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
- 7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
- 8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
- 9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
- 10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
- 11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.

- 13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
- 14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
- 15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
- This Contract shall be governed and construed in accordance with the laws of the State of Utah.

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:	
Operator Name	
Authorized Officer (Typed or Printed)	
Authorized Officer - Position	
By 71/L	B-2-10
Officer's Signature	Date
STATE OF Utah COUNTY OF Salt Lake	ss:)
On the day of personally appeared before me, we he/she is an (or other (specify)) of the Operator Backnowledged that said instrument was significantly of its bylaws, a resolution of its by the required to execute the same with full as	owner, officer, director, partner, agent and duly great on behalf of said Operator by coard of directors or as may otherwise
Penny Berry	
Notary Public Salt Lake	PENNY BERRY MOTARY PUBLIC - STATE OF STAM 1694 W. NORTH TEMPLE, STE 1210 SALT LAKE CITY, UT 64116 My COMM. Exp. 01/11/2011
1/11/2011 Ny Commission Expires	Charge and

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Kassidy J. Wallin (14360)
Steven F. Alder (0033)
Assistant Attorneys General
JOHN E. SWALLOW, No. 5802
UTAH ATTORNEY GENERAL
1594 West North Temple, Suite 300
Salt Lake City, Utah 84116
Telephone: (801) 538-7227
Attorneys for the Division of Oil, Gas and Mining

FILED

OCT 1 5 2013

SECRETARY, BOARD OF OIL, GAS & MINING

BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

In the Matter of the Petition by the Division of Oil, Gas and Mining for an Order:

- (1) Withdrawing Bryce H. Haas's
 Notice of Intention to Commence
 Small Mining Operations at the
 B&H Quarry, S/039/0020, located
 in portions of the east half of
 Section 5, Township 20 South,
 Range 2 East, SLBM, Sanpete
 County, Utah;
- (2) Forfeiting Bryce H. Haas's surety for the B&H Quarry;
- (3) Authorizing the Division to complete reclamation at the B&H Quarry; and
- (4) Granting such further relief as the Board may deem just and reasonable under the circumstances.

NOTICE OF AGENCY ACTION

Docket No.: 2013-038 Cause No.: S/039/0020

RELIEF SOUGHT

The Division of Oil, Gas and Mining ("Division"), through its attorneys, hereby petitions the Utah Board of Oil, Gas and Mining ("Board") for an Order: (1) withdrawing Bryce H. Haas's Notice of Intention to Commence Small Mining Operations at the B&H Quarry, S/039/0020, located in portions of the east half of Section 5, Township 20 South, Range 2 East, SLBM,

Sanpete County, Utah; (2) authorizing the Division to complete reclamation at the B&H Quarry; (3) forfeiting Bryce H. Haas's surety for the B&H Quarry; and (4) granting such further relief as the Board may deem just and reasonable under the circumstances.

JURISDICTION

- 1. This action is brought by the Division pursuant to its authority to enforce the provisions of the Utah Mined Land Reclamation Act ("Act"), Utah Code §§ 40-8-1 et seq.
- 2. Utah Code § 40-6-5 grants to the Board "jurisdiction over all persons and property necessary to enforce this chapter."
- 3. Utah Code § 40-8-6(2) confers jurisdiction over this matter to the Board and empowers the Board "to hold hearings and to issue orders" as may be necessary to enforce the provisions of the Act.

NOTICE REQUIREMENTS

- 4. The Board hearing will be held on December 4, 2013 at 9:00 a.m. in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.
- 5. The Board hearing will be conducted formally according to the provisions of Utah Code §§ 63G-4-204 to 63G-4-209.
- 6. The Respondent or other persons with an interest in this matter may file a written response with the Board within 20 days of mailing of this Notice of Agency Action. Any party who fails to respond or to appear at said hearing may be held in default.
- 7. The name and addresses of all persons to whom Notice of Agency Action shall be given are attached as the Certificate of Service and by this reference incorporated herein.

STATEMENT OF FACTS

8. On September 3, 2007, Bryce H. Haas submitted to the Division a Notice of Intention to Commence Small Mining Operations ("2007 NOI"). See Exhibit A. The 2007 NOI incorrectly

indicated the mine was located in Section 32, Township 19 South, Range 2 East, SLBM, Sanpete County, Utah. See Exhibit A at 4. The mine was named "Mayfield Quarry." See Exhibit A at 1.

- After submitting the 2007 NOI, but before receiving approval of it, Mr. Haas began
 mining and exploration activities at the Mayfield Quarry. Several acres were disturbed at the
 mine site.
- 10. On January 18, 2008, the Division sent a letter to Mr. Haas explaining that the 2007 NOI was incomplete due to several deficiencies. *See* Exhibit B. The letter from the Division further explained:

Reclamation surety is required to be posted by all mining and exploration operations. The surety amount determined for this site is \$20,700.00. . . . Since your exploration notice for this site has expired (exploration notices expire on November 30th, the year after the notice is submitted), there is to be no further mining or exploration activity at this site until a reclamation surety is provided. Continued operations may result in formal enforcement action being taken by the Division. Reclamation work only may continue until the Notice is complete and the surety approved.

See Exhibit B at 2 (emphasis in original).

- 11. Even though Mr. Haas was notified that the 2007 NOI was incomplete and that the exploration notice for the Mayfield Quarry had expired, he continued mining activities at the Mayfield Quarry before receiving an approved NOI or a permit from the Division. Mr. Haas made no attempt to reclaim the disturbed acreage at the mine site.
- 12. On or about December 21, 2009, the Division discovered that Mr. Haas had been conducting additional mining activities at the Mayfield Quarry without an approved NOI, without a permit, without a reclamation contract, and without posting a reclamation surety. The Division sent a certified letter to Mr. Haas informing him that he would need to reclaim the Mayfield Quarry by March 31, 2010 or submit a reclamation surety in the amount of \$20,700.00. *See* Exhibit C. Mr. Haas did not claim the letter, and the letter was returned to the Division. *See* Exhibit D.

13. On May 3, 2010, the Division issued a Cessation Order ("2010 CO")¹ to Mr. Haas for violating Utah Code 40-8-13 and Utah Admin. Code R647-3-101(1). *See* Exhibit E. The 2010 CO ordered Mr. Haas to cease all mining activities at the Mayfield Quarry. It also directed Mr. Haas to submit a completed NOI, provide a reclamation surety—now in the amount of \$25,000,² and execute a reclamation contract with the Division. In the alternative, Mr. Haas could complete reclamation of the site. Compliance was required by June 3, 2010. *See* Exhibit E.

14. On May 5, 2010, shortly after receiving the 2010 CO, Mr. Haas requested a Stop Work Conference to discuss the matter with the Division.

15. On May 12, 2010, a Stop Work Conference was held at the Mayfield Quarry in Sanpete County, Utah. See Exhibit F at 1. The Hearing Officer assigned for the Stop Work Conference was Dana Dean, Associate Director for the Division. See Exhibit F at 1. In attendance for the Division were Paul Baker (Minerals Program Manager) and John Rogers (Environmental Scientist). See Exhibit F at 1. Also in attendance were Mr. Haas and Mr. Bill Christiansen (landowner). See Exhibit F at 1.

16. At the hearing, Mr. Haas indicated that he did not have enough money to post a reclamation surety. See Exhibit F at 2. He explained that he would have to sell the product he already had extracted, and also mine and sell additional material in order to come up with the money. See Exhibit F at 2. In addition, Mr. Christiansen indicated that he wanted mining to continue on the property. See Exhibit F at 2.

17. On May 17, 2010, after considering the evidence presented at the Stop Work Conference, the Hearing Officer issued the Findings, Conclusions, and Order in the matter (the "Stop Work

¹ Citation No. MC-2010-61-01.

² Pursuant to Utah Admin. Code R647-3-111(6), the Division is authorized to determine and adjust bond amounts. From time to time, bond amounts will increase based on certain factors such as inflation and risk.

³ Mr. Christiansen also indicated that he wanted some of the equipment left on the property after reclamation, and wanted the road and pad area to remain after the conclusion of mining. See Exhibit F at 2.

Order"). See Exhibit F. The Hearing Officer upheld the 2010 CO, but made the following allowances: Mr. Haas could (1) "transport and sell any on-site product already packaged for sale[;]" and could (2) "package and transport any <u>loose</u> product." See Exhibit F at 3 (emphasis in original). The Stop Work Order made clear that "Mr. Haas may not loosen any rock, and may not advance the face" except for a small corner area that could be squared up. See Exhibit F at 3.

18. The Stop Work Order declared that the CO would be fully terminated when either (1) reclamation surety of \$25,000.00 was posted along with a completed NOI and a signed reclamation contract; or (2) reclamation was complete at the site. *See* Exhibit F at 3. In the event Mr. Haas failed to fulfill one of these two requirements by June 3, 2010, he would be subject to a \$750 per day fine. *See* Exhibit F at 3.

19. On June 2, 2010—one day before compliance with the CO and Stop Work Order was due—Mr. Haas submitted to the Division a new Notice of Intention to Commence Small Mining Operations ("2010 NOI"). *See* Exhibit G. The 2010 NOI changed the name of the mine to the "B&H Quarry," located in Section 32, Township 19 South, Range 2 East, Sanpete County, Utah. It listed the operator as Mr. Haas, a sole proprietor. *See* Exhibit G at 1, 4-5.

20. Also on June 2, 2010, Mr. Haas also executed a Small Mine Reclamation Contract and provided a \$10,000.00 check as a portion of the reclamation surety required for the project. *See* Exhibit H. The \$10,000.00 check was deposited with the Utah State Treasurer on June 8, 2010 for the benefit of the Division in an interest-bearing escrow account at Zion's First National Bank, Account No. 8912020. *See* Exhibit I.

21. On June 28, 2010, the Division approved the 2010 NOI. See Exhibit G. On June 29, 2010, the Division issued a permit for the B&H Quarry under several conditions. See Exhibit J.

⁴ As the map attached to the Notice of Intention indicates, the mine is actually located in Section 5, Township 20 South, Range 2 East, SLBM, Sanpete County, Utah. This is the same mine site as the Mayfield Quarry indicated in the 2007 NOI.

Page two of the permit provided: "Since the \$10,000 surety bond was posted on June 2, 2010, you may mine the 'corner' and square up the face as described in the . . . Stop Work Order. The mine may not advance any further until the full reclamation surety is posted. The reclamation of the previous disturbance must be completed immediately." See Exhibit J at 2 (emphasis added).

22. On April 14, 2011, the Division issued a Failure to Abate Cessation Order ("2011 FTACO")⁵ to Mr. Haas for failing to properly abate the 2010 CO. See Exhibit K. The 2011 FTACO ordered Mr. Haas to either (a) properly permit and provide adequate surety for the B&H Quarry; or (b) complete reclamation of the mine site. See Exhibit K.

23. Also on April 14, 2011, the Division issued a Proposed Assessment for the 2010 CO. See Exhibit L. The Assessment Officer, Lynn Kunzler, noted that "Jalpproximately 7.5 acres have been disturbed by this operation. The operator has been operating a mining operation for about 2.5 years after the Division had notified him in writing that there was to be no additional mining operations until the site was properly permitted and bonded." Exhibit L at 4 (emphasis in original). The Assessment Officer explained that Mr. Haas "had received both written and verbal warnings regarding the need to have this site permitted and bonded in order to conduct operations. The operator also had 2 other quarries permitted with the Division.

Conducting or continuing operations at this site demonstrates a high degree of negligence." Exhibit L at 4 (emphasis in original). The Assessment Officer determined a penalty of \$3,740.00. See Exhibit L at 4.

24. The Assessment Officer advised Mr. Haas that he could request review of either the fact of the violation, the proposed penalty, or both, as long as a request for an informal conference was made within 30 days—by May 16, 2011. *See* Exhibit L at 1-2.

⁵ Citation No. MC-2011-65-01.

⁶ The FTACO did not provide an abatement deadline.

- 25. Mr. Haas did not request a formal or informal review of either the fact of the violation or the proposed penalty by May 16, 2011.
- 26. On August 15, 2011, the Division received notice that Mr. Haas filed for Chapter 7 Bankruptcy in the United States Bankruptcy Court for the District of Utah. *See* Exhibit M.
- 27. On December 1, 2011, the Division received notice that Mr. Haas had been granted a discharge in the bankruptcy proceedings. *See* Exhibit N.

COUNT I (Withdraw Notice of Intention)

- 28. The Division hereby incorporates the allegations of paragraphs 1-27 hereof and further alleges as follows:
- 29. Utah Code § 40-8-16(2)(a) authorizes the Board to withdraw a NOI if "the operator substantially fails to perform reclamation[.]"
- 30. Utah Code § 40-8-16(2)(b) authorizes the Board to withdraw a NOI if "the operator fails to provide and maintain surety as may be required under this chapter." *Accord* Utah Admin. Code R647-3-102 and R647-3-111.
- 31. As of this date, Mr. Haas has substantially failed to perform reclamation and has failed to provide and maintain adequate reclamation surety.
- 32. The Division ordered Mr. Haas to complete reclamation or provide adequate reclamation surety on five separate occasions: (1) the January 18, 2008 letter; (2) the 2010 CO issued May 3, 2010; (3) the Stop Work Order issued May 17, 2010; (4) the conditional permit issued June 28, 2010; and (5) the FTACO issued April 14, 2011.
- 33. Mr. Haas did not respond to the January 18, 2008 letter and did not post any reclamation surety. Rather, he simply continued mining.
 - 34. After the Division issued the 2010 CO, Mr. Haas requested a Stop Work Conference. As

a result of that hearing, the Stop Work Order was issued which required either reclamation or the posting of a \$25,000.00 reclamation bond. Mr. Haas did not reclaim the site or post a \$25,000.000 reclamation bond. Rather, he submitted a partial bond of \$10,000.

- 35. On June 28, 2010, the Division issued a conditional permit and again requested that Mr. Haas complete reclamation of the disturbed acreage. The Division advised Mr. Haas that if he wished to mine further he would have to post a full \$25,000.00 reclamation surety.
- 36. By April 2011, Mr. Hass still had not reclaimed the site or posted full reclamation surety. Therefore, the Division issued the FTACO which demanded that Mr. Haas either reclaim the site immediately or post full reclamation surety. Mr. Haas did not respond to the FTACO, and filed bankruptcy later that year.
- 37. As of the date of this Notice of Agency Action, Mr. Haas has not reclaimed the site or posted a full reclamation surety of \$25,000.00.
 - 38. Therefore, NOI S/039/0020 should be withdrawn.

COUNT II (Forfeit Surety)

- 39. The Division hereby incorporates the allegations of paragraphs 1-38 hereof and further alleges as follows:
- 40. Utah Code Ann. § 40-8-14(6)(a) provides that "[i]f an operator of a mining operation fails or refuses to carry out the necessary land reclamation as outlined in the approved notice of intention, the board may, after notice and hearing, declare any surety filed for this purpose forfeited." *Accord* Utah Admin. Code R647-3-112(3).
- 41. Mr. Haas has failed or refused to carry out the necessary land reclamation work as outlined in the 2010 NOI and conditional permit, despite repeated requests from the Division to reclaim the site.

- 42. Mr. Haas's inaction indicates that he no longer has the intent or resources to continue mining operations at the Mayfield/B&H Quarry or to honor his contractual and statutory obligations to reclaim the site.
- 43. Therefore, the Board should declare Mr. Haas's reclamation surety for the Mayfield/B&H Quarry forfeited to the Division, specifically the deposit totaling \$10,000.00, plus interest, held by the State of Utah for the benefit of the Division at Zion's First National Bank, Account No. 8912020.

<u>COUNT III</u> (Authorize Division to Complete Reclamation)

- 44. The Division hereby incorporates the allegations of paragraphs 1-43 hereof and further alleges as follows:
- 45. Utah Admin. Code R647-3-112(1) provides that "[i]f the operator of a small mining operation fails or refuses to conduct reclamation as required by the complete notice of intention, and fails or refuses to comply with R647-3-107 [Operation Practices], R647-3-108 [Hole Plugging Requirements], or R647-3-109 [Reclamation Practices], the Board may, after notice and hearing, order that: (1) Reclamation be conducted by the Division"
- 46. Mr. Haas has failed or refused to conduct reclamation work as required by the 2010 NOI and conditional permit, despite repeated requests from the Division to reclaim the site.
- 47. Mr. Haas's inaction indicates that he no longer has the intent or resources to continue mining operations at the Mayfield/B&H Quarry or to honor his contractual and statutory obligations to reclaim the site.
- 48. Therefore, the Board should authorize the Division to complete reclamation at the Mayfield/B&H Quarry.

PRAYER FOR RELIEF

WHEREFORE, the Division respectfully requests that the Board enter an Order:

- (1) Withdrawing Notice of Intention S/039/0020 due to the failure of Mr. Haas to either provide an increased reclamation surety or satisfactorily perform reclamation of the Mayfield/B&H Quarry;
- (2) Declaring Mr. Haas's reclamation surety for the Mayfield/B&H Quarry forfeited to the Division, specifically the deposit totaling \$10,000.00, plus interest, held by the State of Utah for the benefit of the Division at Zion's First National Bank, Account No. 8912020;
- (3) Authorizing the Division to complete reclamation work at the Mayfield/B&H Quarry; and
- (4) Granting such further relief as the Board may deem just and equitable under the circumstances.

Dated this 15 day of October 2013.

Kassidy J. Wallin (14360)

Steven F. Alder (0033)

Assistant Attorneys General

JOHN E. SWALLOW, No. 5802

UTAH ATTORNEY GENERAL

1594 West North Temple, Suite 300

Salt Lake City, Utah 84116 Telephone: (801) 538-7227

Attorneys for the Division of Oil, Gas, and Mining

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the forgoing Notice of Agency Action to be personally served, mailed first class mail postage prepaid, or electronically mailed the 28^{7h} day of October 2013, to:

BRYCE HAAS

91 South 100 East Mayfield, Utah 84643

BILL CHRISTIANSEN

P.O. Box 82 Mayfield, Utah 84643

MIKE JOHNSON

Assistant Attorney General Department Of Natural Resources Board of Oil, Gas & Mining 1594 West North Temple, Suite #300 Salt Lake City, Utah 84114

OFFICE OF THE STATE TREASURER

ATTN: Coleen Hackwell E315 State Capitol Complex P.O. Box 142315 Salt Lake City, Utah 84114-2315

ZION'S FIRST NATIONAL BANK

ATTN: Raelynn Daniels One South Main Street Salt Lake City, Utah 84133

Julie Am Carter